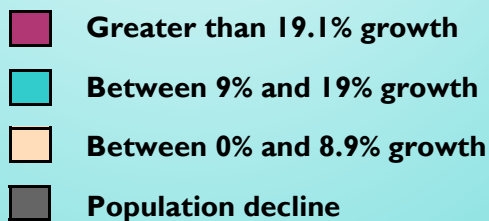
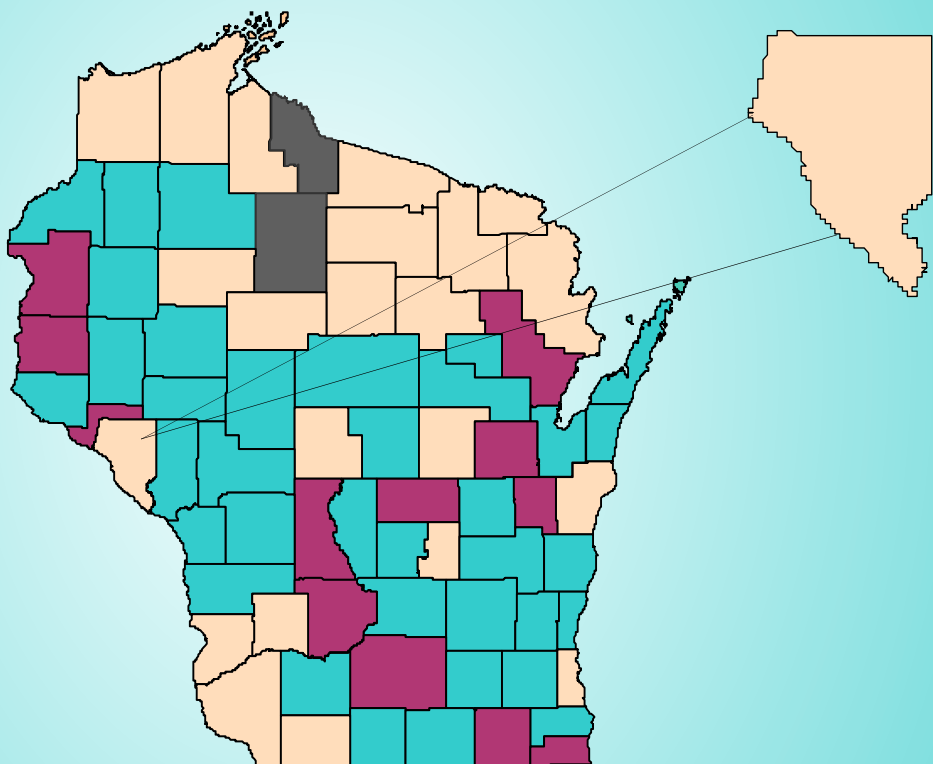


Buffalo County Workforce Profile

Projected population growth from 2000 to 2020



Source: Wisconsin Department of Administration, Demographic Services Center.
Statewide population growth is projected to be 13.9 percent from 2000 to 2020.



County Population

The population in Buffalo County increased 1.1 percent from April 2000 through December 31, 2001. The additional 151 residents came mostly from individuals moving into the county. This increase in Buffalo County's population should be considered slow, at best. During the same period the national population grew by two percent and the state population grew by 1.7 percent.

The largest numerical increases in population were in the cities of Mondovi and Buffalo and the town of Naples. The official increase in population in the City of Mondovi was 33 residents, accounting for 20 percent of the entire county's increase.

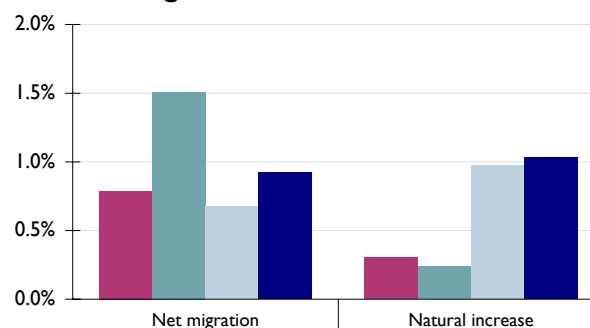
The migration rate in Buffalo County was lower than the 0.9 percent migration rate in Wisconsin but, and it lagged the experience of other non-metropolitan counties in the state as well. Approximately 109 individuals moved to the county since 2000.

The increase in population from natural causes totaled just 42 even though there were 265 births in the county. The median age in Buffalo County in 2000 was 39.2 years, one of the highest in Wisconsin. This is the primary reason why the increase in population from natural causes is so much lower than other counties.

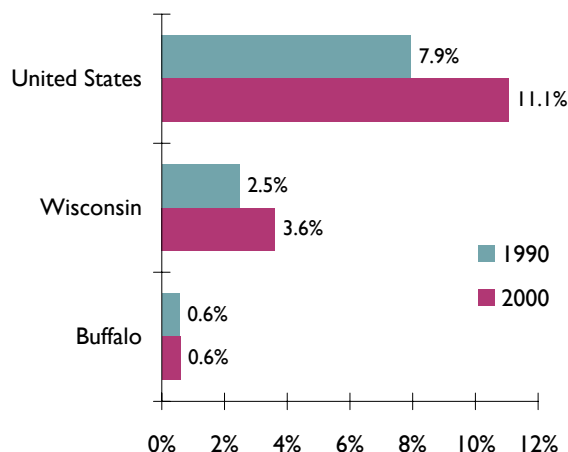
Total Population

	April 2000 Census	January 1, 2002 estimate	Percent change
United States	281,421,906	286,923,000	2.0%
Wisconsin	5,363,701	5,453,896	1.7%
Buffalo County	13,804	13,955	1.1%
Largest Municipalities			
Mondovi, City	2,634	2,667	1.3%
Buffalo, City	1,040	1,060	1.9%
Fountain City	983	984	0.1%
Alma, City	942	942	0.0%
Buffalo, Town	667	684	2.5%
Naples, Town	584	604	3.4%
Nelson, Town	586	591	0.9%
Milton, Town	517	525	1.5%
Waumandee, Town	515	520	1.0%
Dover, Town	484	485	0.2%

Net migration and natural increase



Share of Foreign-born Residents



Source: US Dept. of Commerce, Census 2000, Summary file-4, QT-P14

Source: Wisconsin DOA, Demographic Services Center & US Census Bureau

Buffalo County is still mostly populated with white residents. Buffalo County's share of foreign-born residents is very low compared to the United States, and even Wisconsin.

Barring some unforeseen and radical change in the county's make-up and demographic trends, Buffalo County will not be able to reverse its population trend. Nationally, more births are occurring in non-

(Continued on page 2)

Buffalo County Workforce Profile

Population Projections by Age Groups in Buffalo County

	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75+
2000																
Male	413	442	515	525	349	359	465	529	570	589	478	371	302	331	265	423
Female	387	484	530	488	277	372	416	513	590	450	421	323	333	319	313	662
2005																
Male	421	450	452	499	417	377	378	474	534	592	612	485	368	290	286	439
Female	406	423	496	486	399	339	390	418	517	601	449	415	326	325	293	700
2010																
Male	432	451	457	437	395	449	397	385	479	558	621	622	485	357	252	468
Female	417	436	431	455	397	481	356	392	422	528	601	443	421	321	301	717
2015																
Male	443	458	456	439	343	425	468	402	387	499	584	629	619	471	310	464
Female	428	444	442	393	370	478	500	356	394	430	526	591	447	414	297	733
2020																
Male	454	464	462	437	343	368	441	472	403	403	524	591	627	601	410	507
Female	438	451	449	402	319	447	495	499	357	401	428	517	596	440	384	742

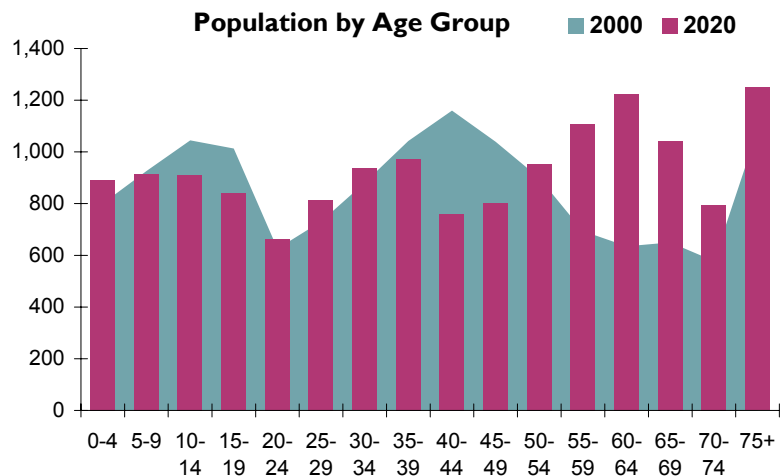
Source: Wisconsin Dept. of Administration, Demographic Services, October 2003

white populations, plus a median age of nearly 40 cannot be overlooked, and that median age will only increase in the years to come.

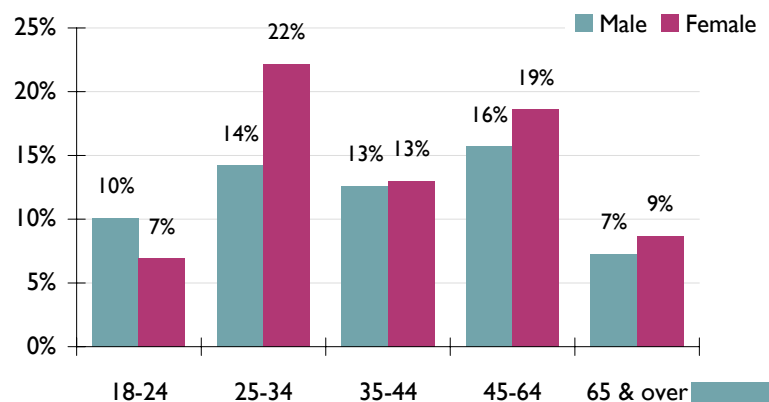
Population age projections illustrate that the share of population over the age of 60 will increase from 27 percent in 2000 to 35 percent in 2020 as the population under 20 years old declines from 25 percent to 22 percent.

From 2000 to 2020 total population is projected to increase by just over 1,200 residents. Amazingly, the population under 60 will decline by 290 persons. The population over 60 will increase by 1,500 and, in effect, the population over 60 will comprise the entire increase in Buffalo County's population in the next 20 years.

A noticeable trend in Buffalo County, as well as in the state, is that a higher share of younger females have a bachelor's degree than men. What is different in Buffalo County than the most other areas of the state is that this trend continues throughout most age groups in the county. At a statewide level, older generations have higher percentages of males with college degrees; reflecting generations when more men attended college than women. Many older men in Buffalo County are employed in farming or trucking.



Percent of age group with at least a Bachelor's degree in Buffalo County



Source: US Dept. of Commerce, Census 2000, Summary file 4, QT-P20

Labor Force Characteristics

The labor force participation rate (LFPR) is the number of residents who are either working or looking for work divided by the total, non-institutional, population.

The top graph shows that labor force participation rates are highest for the middle-aged groups and lowest for the older-aged groups. This is typical in most counties and states and reflects the changing needs and desires of people to work. Younger residents are in school, middle-aged residents have many financial commitments, and older residents are anticipating retirement.

In 2002, the LFPR in Wisconsin of 73 percent placed Wisconsin among the five highest states in the United States. The overall participation rate in Buffalo County in 2002 was 70.3 percent, slightly lower than in the state but higher than the 66.6 percent rate in the nation. Buffalo's LFPR had been higher than the state's until 2002. It's likely that Buffalo County's LFPR dropped below the state-wide average as Buffalo's average age is increasing faster than the state.

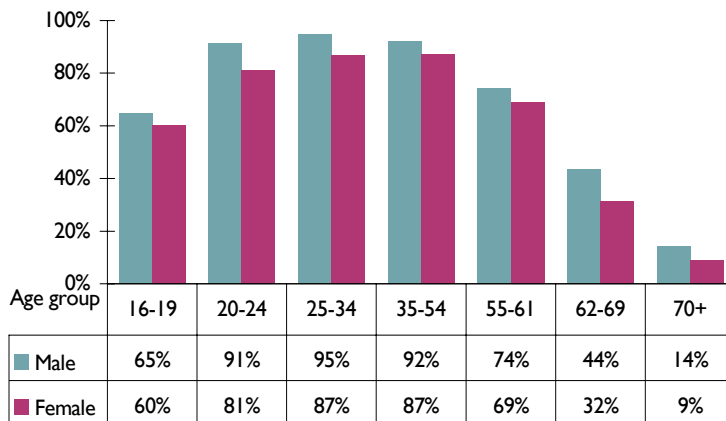
These issues such as declining LFPR and an increasing population over 60 will need to be addressed. Increasing the participation rate among Buffalo County's older population could help alleviate some of the impending labor shortage. Based on 2000 LFPR of age groups the graph on the right shows the number of residents in 2020 that will be in the labor pool. By 2020, even though the number of residents will increase, the number who participate in the labor force will decline from 7,811 in 2002 to 7,431 in 2020.

Of the roughly 7,800 residents who currently participate in the labor force about 7,300 are employed and 400 are unemployed. The number of employed is down from a high in 1997 due to the recession and loss of jobs in the county. In 2002, Buffalo County unemployment rates climbed to their highest level since 1994.

When the economy recovers, labor shortages will

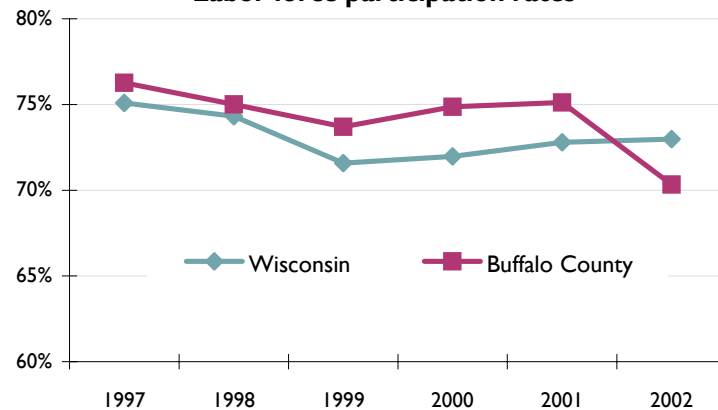
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Buffalo Labor Force Participation by Age & Sex in 2000



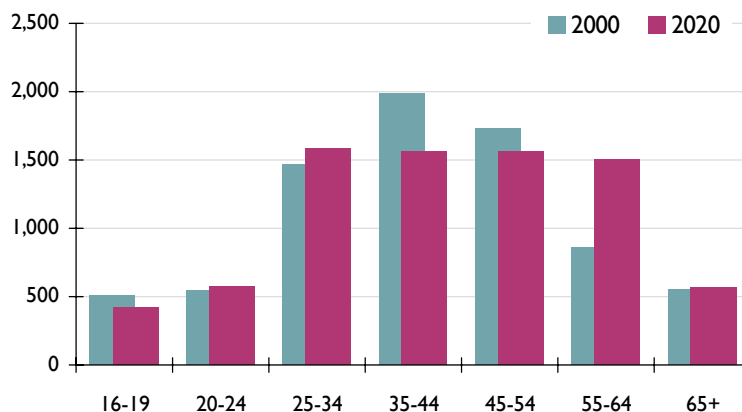
Source: US Dept. of Commerce, Census 2000, Summary file 4, PCT-79

Labor force participation rates



Source: WI DWD, Office of Economic Advisors, 2003

Labor Force by Age in 2000 & 2020 in Buffalo County



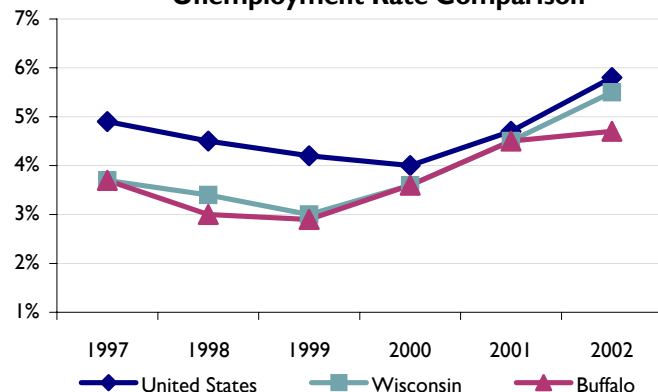
Source: DWD, Office of Economic Advisors, US Census, SF-4 (PCT-79), WI Demographic Services

Buffalo County Workforce Profile

once again become a major problem for employers. In the recovery to come, unemployment rates will decline.

By the year 2020, labor shortages could be acute in Buffalo County. Even with no increase in demand for employees and with a projected total labor force in 2020 of 7,430, the unemployment rate in Buffalo County could be as low as 2.5 percent.

Unemployment Rate Comparison



Buffalo County Civilian Labor Force Data

	1997	1998	1999	2000	2001	2002
Labor Force	8,071	8,003	7,735	7,617	7,670	7,597
Employed	7,774	7,759	7,509	7,342	7,327	7,237
Unemployed	297	244	226	275	343	360
Unemployment Rate	3.7%	3.0%	2.9%	3.6%	4.5%	4.7%

Source: WI DWD, Bureau of Workforce Information, LAUS program, 2003

Occupations in demand

Buffalo County is in the Western region of the state and the list of jobs on the right is representative of the jobs in that eight county region.

The greatest numerical demand for workers is found on the 'Most Openings' list. This list includes many occupations considered as first-time, or temporary, jobs and workers often leave these jobs as other opportunities open up. Turn-over is high and wages are low. There are a few exceptions on the list: registered nurses, truck drivers, and office clerks. All three require a greater degree of education and the wage scales reflect this.

The 'Fastest Growth' occupations are often referred to as hot jobs, usually with higher training requirements and better wages. There are often fewer openings in these jobs since the list is based on the greatest percent change in employment; for example, an occupation that increases from 5 to 10 jobs increased 100 percent whereas an occupation that changes from 2,000 to 2,500 jobs increased only 25 percent.

Western Region Occupation Projections: 2010

	Top Ten Occupations	Education & Training Typically Required*	Average Wage**
Fastest Growth	Computer Support Specialists	Associate degree	\$16.65
	Network/Computer Systems Admin	Bachelor's degree	\$23.49
	Medical Records/Health Info Techs	Associate degree	\$11.43
	Medical Assts	1-12 mo. on-the-job training	\$10.61
	Personal and Home Care Aides	1-month or less training	\$8.25
	Computer/Information Systems Mgrs	Work experience & degree	\$29.77
	Social/Human Service Assts	1-12 mo. on-the-job training	\$12.30
	Computer Systems Analysts	Bachelor's degree	\$24.14
	Home Health Aides	1-month or less training	\$9.03
	Dental Assts	1-12 mo. on-the-job training	\$10.93
Most Openings	Comb Food Prep/Serv Wrk/Incl Fast	1-month or less training	\$6.91
	Cashiers	1-month or less training	\$7.60
	Retail Salespersons	1-month or less training	\$9.04
	Waiters/Waitresses	1-month or less training	\$7.55
	Registered Nurses	Bachelor's degree	\$20.23
	Truck Drivers/Heavy/Tractor-Trailer	1-12 mo. on-the-job training	\$20.88
	Truck Drivers/Heavy/Tractor-Trailer	1-12 mo. on-the-job training	\$20.88
	Office Clerks/General	1-month or less training	\$10.27
	Bartenders	1-month or less training	\$7.41
	Nursing Aides/Orderlies/Attendants	1-month or less training	\$9.95

* The most common way to enter the occupation, not the only way

** Wages from Occupation Employment Statistics survey responses for region, 2001
Western WDA includes Buffalo, Crawford, Jackson, Juneau, La Crosse, Monroe, Trempealeau and Vernon counties.

Source: WI DWD, Bureau of Workforce Information, 2002

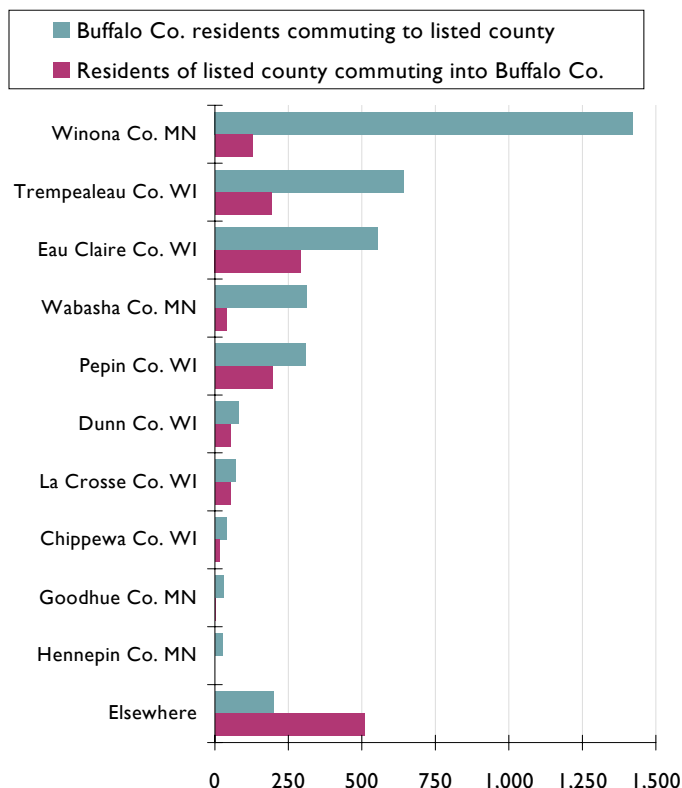
County Commuting Patterns

Buffalo County workers are very mobile and many Buffalo County residents work outside of their county of residence. Generally they commute alone; more than ever before. In the 1990 Census, 62 percent of workers drove alone and 13 percent carpooled. According to Census 2000, 73 percent of Buffalo County residents drive to work alone and

10 percent carpooled. The average time it took Buffalo County residents to get to work increased between the 1990 and 2000 from 19.9 minutes to 24.4 minutes, respectfully.

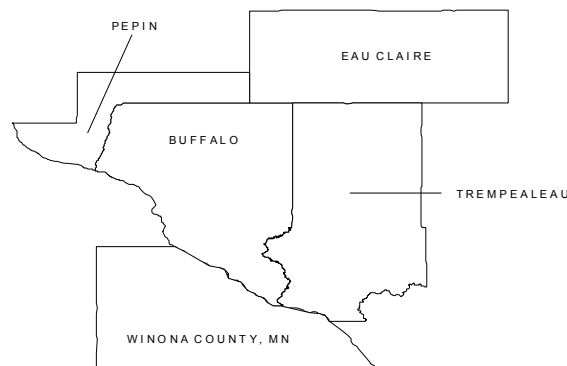
Since the Mississippi River separates Buffalo County and Minnesota, commuter routes to Minnesota are limited to highways with a bridge across the river. There are only two highways in Buffalo County providing access across the river into Minnesota. These are Highway 54, to the City of Winona, Minnesota and Highway 25 to the City of Wabasha, Minnesota. As commuting across the river for work increases, these roadways will become more congested during rush hour commutes, further increasing commute-to-work times in Buffalo County.

The number of workers lost daily to Minnesota has increased from 1,331 in the 1990 Census to over 1,600 reported in Census 2000. Several reasons exist for workers leaving Buffalo for Winona including that wages paid in Minnesota are higher than in Western Wisconsin and that more management/professional positions exist in Winona County than in Buffalo County. Buffalo County does not have a large manufacturing industry sector, so many Buffalo County workers seeking manufacturing employment are heading east into Trempealeau County.



	Buffalo Co. residents commuting to listed county	Residents of listed county commuting into Buffalo Co.	Net gain or loss of workers
Winona Co. MN	1,422	127	-1,295
Trempealeau Co. WI	643	192	-451
Eau Claire Co. WI	552	293	-259
Wabasha Co. MN	312	39	-273
Pepin Co. WI	308	195	-113
Dunn Co. WI	79	54	-25
La Crosse Co. WI	71	53	-18
Chippewa Co. WI	39	14	-25
Goodhue Co. MN	29	2	-27
Hennepin Co. MN	25	not avail.	not avail.
Elsewhere	198	508	310

Source: US Dept. of Commerce, Census 2000, County-to-county worker-flow files



Industry Employment -

Introducing NAICS (North American Industry Classification System)

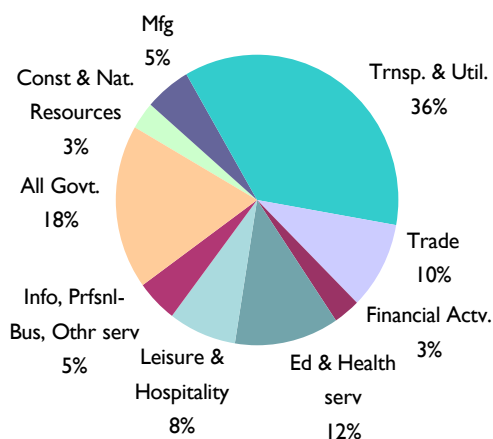
The North American Industry Classification System (NAICS) is a fairly new way of categorizing employers by industry. It was introduced in most areas, including Wisconsin counties, in 2002. It replaces the old system known as Standard Industrial Classification (SIC).

A tome could be written explaining the reasons for the change and what the differences are. For the sake of brevity, NAICS was introduced to reflect a changing economy (new and evolving industries) and

to include all three North American countries in a uniform coding system.

NAICS gives more industry detail reflecting industries that are more contemporary than its coding predecessor. SIC and NAICS data cannot be compared to one another even if the industries share the same or similar name. The new coding system is so different that one cannot assume that data retrieved are similar for comparison. The table at the bottom of the page shows the 2002 industry composition for Buffalo County in present and former coding systems.

Buffalo County Industry Distribution: 2002



Some of the more notable changes include; transportation employment is grouped with warehousing and utilities and now comprises 36 percent of local jobs compared with 39 percent under SIC which also included communication. Most jobs in communication were moved to a new sector, information.

Wholesale and retail trade jobs declined to 10 percent of total employment in NAICS from 16 percent in SIC. The primary reason is that restaurants, food service companies and bars were moved to a new NAICS sector of leisure and hospitality. Hotels and lodging facilities are also a part of this new sector,

(Continued on page 7)

2002 Industry Employment in Buffalo County: A comparison of two classification systems

NAICS Super-sectors	Employment	Distribution	SIC Industry Divisions	Distribution
Construction, natural resources & mining	151	3%	Construction & Mining	3%
Manufacturing	261	5%	Manufacturing	6%
Transportation, warehousing & utilities	1,799	36%	Transportation, utilities & communication	39%
Trade (wholesale & retail)	484	10%	Wholesale trade	5%
			Retail trade	11%
Financial activities	157	3%	Finance, insurance & real estate	3%
Information, professional & business services, other services	238	5%	Services & misc (incl. agr, forestry, fishing)	16%
Education and health services	582	12%	Government	17%
Leisure & hospitality	395	8%		
Government	907	18%		

Source: WI DWD, Bureau of Workforce Information, Current Employment Statistics Program, March 2003

Buffalo County Workforce Profile

making it easier to monitor changes in tourism-related businesses. It will also be much easier to monitor the rapidly expanding health services sector, grouped with private education in the monthly estimates. Most education jobs are included in the broader government sector.

The lists of top ten industries and employers in Buffalo County are coded via the North American Industry Classification System. One big change with this list over previous years are the inclusion of subgroups within health services, two of which appear on the top industry list.

Top 10 Industry Groups in Buffalo County

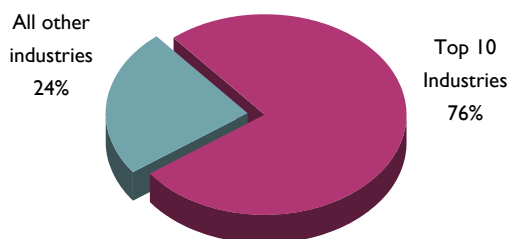
Industry Group	March 2003		Numeric change 2002 - 2003
	Employers	Employees	
Truck Transportation	*	*	*
Educational Services	4	452	-9
Food Services and Drinking Places	37	317	8
Nursing and Residential Care Facilities	4	227	13
Ambulatory Health Care Services	17	200	0
Food Manufacturing	6	197	0
Professional and Technical Services	18	172	13
Executive, Legislative, & Gen Government	21	139	-5
Utilities	*	*	*
Merchant Wholesalers, Durable Goods	11	119	-1

*data suppressed to maintain confidentiality

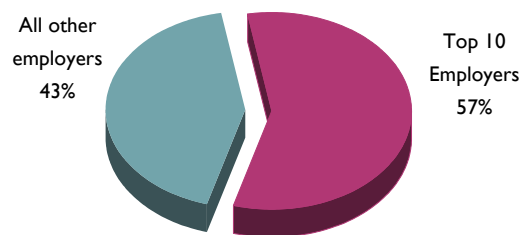
Top 10 Employers in Buffalo County

Company	Product or Service	Size
Marten Transport	General freight trucking, long-distance, truckload	1000 +
Mondovi Public School	Elementary & secondary schools	100-249
Cochrane-Fountain City Public School	Elementary & secondary schools	100-249
County of Buffalo	Executive & general government	100-249
American Lutheran Homes	Nursing care facilities	100-249
Dairyland Power Alma	Electric power generation	100-249
Us Army Corps of Engineers	Engineering services	100-249
Midwest Dental Care Mondovi	Offices of dentists	50-99
La Crosse Milling	Animal feed	50-99
School Dist. of Alma	Elementary & secondary schools	50-99

Share of jobs with top 10 industries



Share of jobs with top 10 employers



Source: WI DWD, Bureau of Workforce Information, ES-202 special report, First quarter, 2003

Buffalo County Workforce Profile

The bottom graph emphasizes the strong presence of transportation employers in Buffalo County. Roughly 41 percent of all jobs in the county and 61 percent of the total payroll is from the super-sector group that includes transportation. The annual average wage for workers in this sector in 2002 was \$38,688 which exceeded the average wage for similar workers statewide by 36 percent.

The average wage for all workers in Buffalo County, \$30,151, increased two percent from the 2001 average of \$29,567. Statewide the average wage rose 2.7 percent in 2002.

Even though NAICS provides a better picture of wages in education (this dataset includes both public and private) and health, in leisure and hospitality,

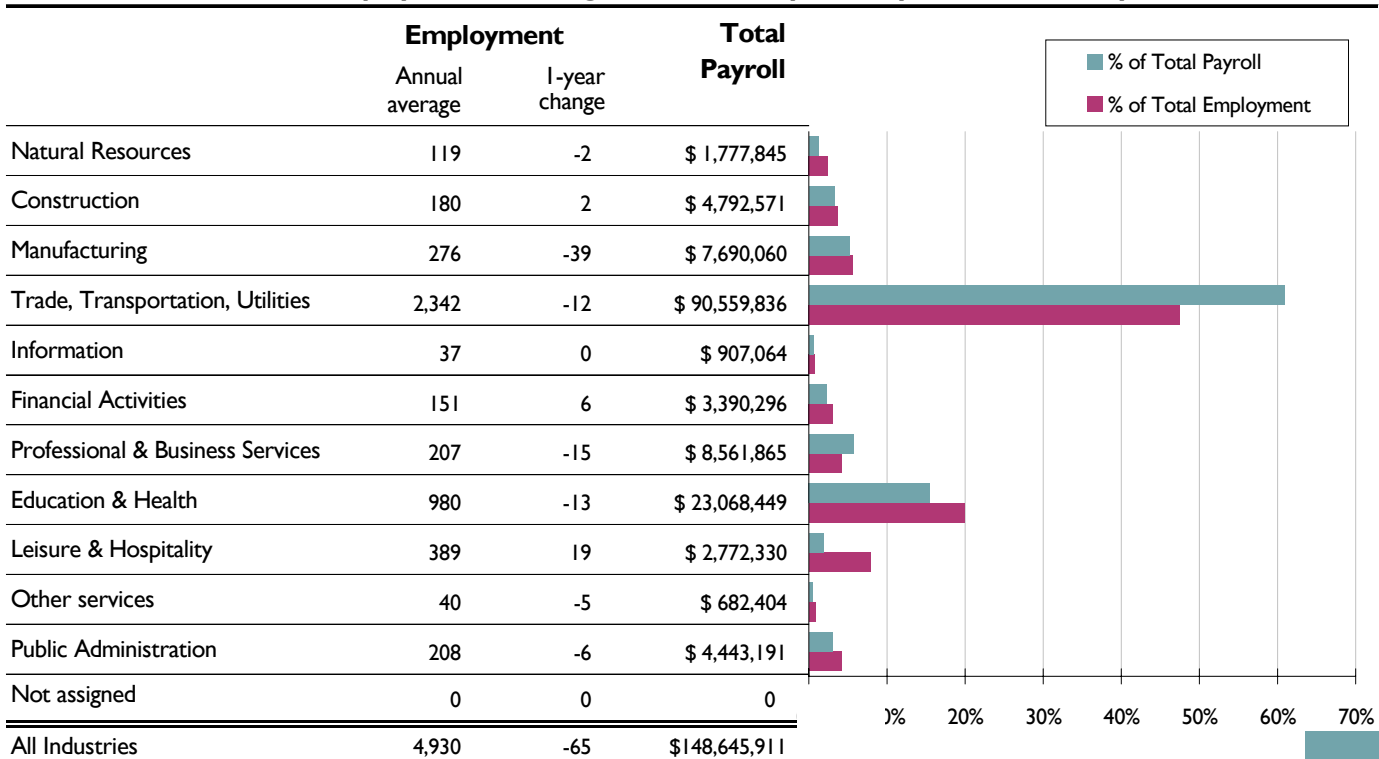
Average Annual Wage by Industry Division in 2002

	Average Annual Wage		Percent of	1-year
	Wisconsin	Buffalo County	Wisconsin	% change
All Industries	\$ 32,422	\$ 30,151	93%	2.0%
Natural resources	\$ 25,481	\$ 14,940	59%	3.9%
Construction	\$ 39,649	\$ 26,625	67%	-4.9%
Manufacturing	\$ 40,584	\$ 27,863	69%	-4.2%
Trade, Transportation, Utilities	\$ 28,422	\$ 38,668	136%	2.9%
Information	\$ 38,871	\$ 24,515	63%	2.8%
Financial activities	\$ 40,337	\$ 22,452	56%	5.4%
Professional & Business Services	\$ 36,324	\$ 41,362	114%	5.0%
Education & Health	\$ 33,768	\$ 23,539	70%	1.2%
Leisure & Hospitality	\$ 11,837	\$ 7,127	60%	-1.8%
Other services	\$ 19,500	\$ 17,060	87%	22.4%
Public Administration	\$ 33,769	\$ 21,361	63%	9.8%

Source: WI DWD, Bureau of Workforce Information, Covered Employment & Wages, August 2003

and in other professional and business services, there are still details on part time jobs and temporary employment missing that are key components to annual average wages.

2002 Employment and Wage Distribution by Industry in Buffalo County



Source: WI DWD, Bureau of Workforce Information, Covered Employment and Wages, August 2003

Per Capita Personal Income

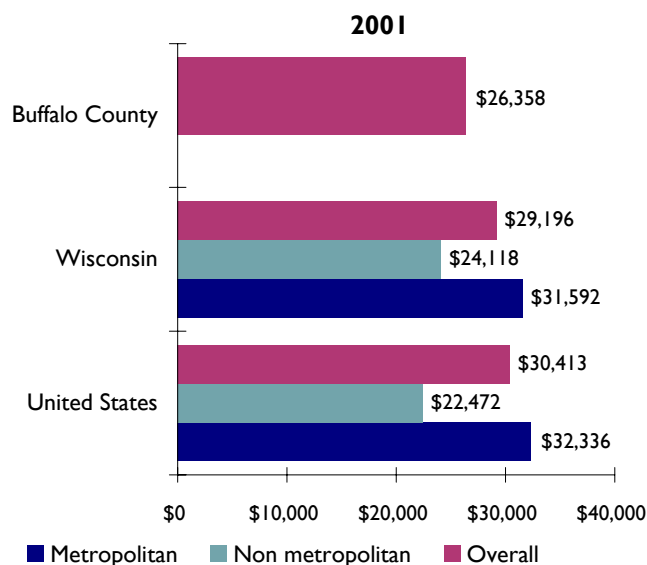
Per capita income (PCPI) is total income divided by the total number of residents. Income includes wages earned, dividends from investments, and transfer payments from the government. Per capita income can influence the type of services and housing available within a county.

Buffalo County's PCPI growth rate has been robust over the last five years, increasing 27.6 percent, exceeding the state and national growth rate of 25.3 percent.

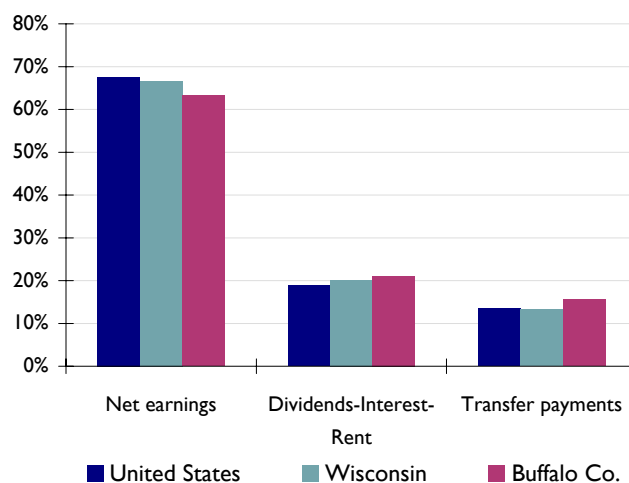
It is in the 2000 to 2001 period that robust growth occurred in Buffalo; enabling the county to surpass the five-year state and national growth rates. Buffalo County's PCPI increased 6.2 percent during this time, more than doubling the state and national growth rates during the same period. Farm income—a component of PCPI, increased 191 percent in Buffalo and nonfarm proprietors income 19 percent (another component of PCPI).

Per Capita Personal Income

	1996	1997	1998	1999	2000	2001	Percent Change	
							1 year	5 year
United States	\$24,270	\$25,412	\$26,893	\$27,880	\$29,760	\$30,413	2.2%	25.3%
Wisconsin	\$23,301	\$24,481	\$26,004	\$26,926	\$28,389	\$29,196	2.8%	25.3%
Buffalo County	\$20,656	\$20,438	\$22,812	\$23,685	\$24,813	\$26,358	6.2%	27.6%



Components of Total Personal Income: 2001



Source: US Dept. of Commerce, Bureau of Economic Analysis, State & Local Personal Income, May 2003, CAI-3, CA05

WWW addresses of source data

Wisconsin population estimates and projections:

<http://www.doa.state.wi.us/dir/index.asp>

Education levels of population, labor force participation rates, commuting patterns:

<http://www.census.gov/main/www/cen2000.html>

Labor force estimates (employed and unemployed), industry employment, average annual wages:

<http://www.dwd.state.wi.us/lmi/>

Occupations in-demand:

http://www.dwd.state.wi.us/lmi/wda_map.htm

Per Capita Personal Income:

<http://www.bea.gov/bea/regional/reis>

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